

Fiscal Estimate - 2009 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 09-3079/5	Introduction Number AB-0729	
Description Residential mortgage loan foreclosures		
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <div style="margin-left: 20px;"> <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="margin-left: 20px;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div>		
Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="margin-left: 20px;"> 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div> <div style="width: 33%;"> <div style="margin-left: 20px;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div> <div style="width: 33%;"> 5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Cities </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS </div> <div> Affected Ch. 20 Appropriations </div> </div>		
Agency/Prepared By CTS/ Nancy Rottier (608) 267-9733	Authorized Signature Nancy Rottier (608) 267-9733	Date 4/19/2010

Fiscal Estimate Narratives
CTS 4/19/2010

LRB Number	09-3079/5	Introduction Number	AB-0729	Estimate Type	Original
Description					
Residential mortgage loan foreclosures					

Assumptions Used in Arriving at Fiscal Estimate

This bill establishes procedures for borrowers who are in default on a first mortgage loan on a residential property to attempt to modify the loan or to arrive at an agreement with the lender in order to prevent foreclosure actions from being filed. If a foreclosure action is filed in the circuit court, the court is required to determine that all the procedures of this bill have been complied with; if those procedures have not been followed, the court is required to dismiss the foreclosure action. The procedures established by the bill are temporary and will not apply to foreclosure actions filed after December 31, 2012.

The procedures that are established under this bill require a number of actions to take place before a foreclosure action is filed with the circuit court. The only new responsibility for the circuit court is to determine whether the procedures of this bill have been complied with. To the extent a new type of hearing may be required in a foreclosure action to determine compliance with this bill, the workload of the circuit courts would be increased. To the extent the procedures established under this bill prevent foreclosure actions from being filed, the workload of the circuit courts would be decreased.

An accurate estimate of the increased or decreased workload and costs is impossible with existing data.

Long-Range Fiscal Implications

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Description Residential mortgage loan foreclosures		
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input checked="" type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <div style="margin-left: 20px;"> <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <div style="margin-left: 40px;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <input type="checkbox"/> Decrease Costs </div> </div>		
Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate <div style="margin-left: 20px;"> 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> </div> <div style="width: 33%;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Village <input type="checkbox"/> Others <input type="checkbox"/> WTCS Districts </div> <div style="width: 33%;"> <input type="checkbox"/> Cities </div> </div> </div> </div>		
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Agency/Prepared By DFI/ Bill Morrissey (608) 267-1707	Authorized Signature Bill Morrissey (608) 267-1707	Date 2/19/2010

Fiscal Estimate Narratives

DFI 2/19/2010

LRB Number	09-3079/5	Introduction Number	AB-0729	Estimate Type	Original
Description Residential mortgage loan foreclosures					

Assumptions Used in Arriving at Fiscal Estimate

The proposed legislation creates a process to allow a borrower, who is in default on a first mortgage loan on a residential property, to pursue a loan modification during a mortgage foreclosure action. Under the bill, a first lien residential mortgage holder or servicing agency commencing a foreclosure action must complete a series of steps to determine if a borrower is eligible for a loan modification. If the borrower is eligible for a loan modification, the mortgagee may only commence a foreclosure action if the borrower was offered, in good faith, a modification agreement and the borrower failed to timely accept it.

The Department believes that the proposed statute will not have a fiscal impact on the agency as the provisions of the statute, the resulting loan negotiations and program determinations will fall under the court system and not the Department's statutes and responsibilities.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

☒ Original
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Description Residential mortgage loan foreclosures	
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):	
II. Annualized Costs:	Annualized Fiscal Impact on funds from:
	Increased Costs Decreased Costs
A. State Costs by Category	
State Operations - Salaries and Fringes	\$0
(FTE Position Changes)	(0.0 FTE)
State Operations - Other Costs	0
Local Assistance	0
Aids to Individuals or Organizations	0
TOTAL State Costs by Category	\$0
B. State Costs by Source of Funds	
GPR	
FED	
PRO/PRS	
SEG/SEG-S	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	
	Increased Rev Decreased Rev
GPR Taxes	\$
GPR Earned	
FED	
PRO/PRS (0)	0
SEG/SEG-S	
TOTAL State Revenues	\$0
NET ANNUALIZED FISCAL IMPACT	
	State Local
NET CHANGE IN COSTS	\$0
NET CHANGE IN REVENUE	\$0
Agency/Prepared By	Authorized Signature
DFI/ Bill Morrissey (608) 267-1707	Bill Morrissey (608) 267-1707
	Date
	2/19/2010